

**JUSTIFICATION FOR
SOLE SOURCE PROCUREMENT**

Agency: South Carolina Department of Motor Vehicles (SCDMV)

Sole Source Vendor: OPEX Corporation

Based upon the following determination, Agency proposes to acquire the supplies, construction, information technology, and/or services described herein from the Vendor named above per S.C. Code Ann. §11-35-1560 and S.C. Regulation 19-445.2105, Sole Source Procurement.

Description of the Agency need that this procurement meets: The South Carolina Department of Motor Vehicles (SCDMV) is undergoing a vital transformation by contracting an engineering study to implement an automated digital mail/workflow solution. This strategic move aims to modernize document processing systems for enhanced operational efficiency. The solution entails integrating mail processing/image capture workstations with scanners, significantly reducing manual efforts and errors associated with traditional paper-based systems. As part of the solution is the Opex Falcon PC. This piece of equipment is needed to streamline the scanning and document processing workflows. The SCDMV currently owns two of the Falcon Pc's that are running on the Windows 10 Platform, Opex will continue to support the current workflow platform as long as the SCDMV continues to maintain a service contract with Opex, however to adhere to SCDMV policy, The Information technology Department requires that both Falcon PC's be replaced with a upgraded windows 11 version.

Description of market research Agency performed to determine the availability of products or services that would meet the Agency's needs: The SCDMV purchased the two Falcon Scanners from the Opex Corporation and continues to maintain a service contract with OPEX. Therefore, Opex being the original designer of the Falcon System, it is imperative to have the Opex Vendor build the upgrade, the upgrade will require the two windows 10 Falcon Pc's to be traded in and replaced with two windows 11 Falcon Pc's. Opex expertise in their propriety hardware and software ensures that the build and upgrade process is handled efficiently and with minimal risk of compatibility issues. Furthermore leveraging the existing service contract would likely streamline the process, ensuring timely support and reducing any potential downtime during the upgrade.

Description of supplies, construction, information technology, and/or services Vendor will provide under the contract: The DMV will trade in the two windows 10 Falcon Pc's to OPEX. OPEX will build the two Falcon windows 11 PC'S and ship to the SCDMV. The OPEX field Technician will coordinate with the SCDMV IT department and install the windows 11 Pc's. The Original windows 10 PC's will be shipped back to Opex at the Vendors expense.

Detailed explanation why no other vendor's supplies, construction, information technology, and/or services will meet the needs of the Agency: After a thorough analysis it has been determined that OPEX is uniquely positioned as the only vendor capable of fulfilling the Windows 11 build and upgrade for the Falcon PC's to be replaced as they are the sole provider of this equipment. OPEX has developed the Falcon Systems with a highly specialized architecture, including both hardware and software components that are unique to their design. Only OPEX has full access to the source code, internal schematics, and technical documentation necessary to ensure that the windows 11 upgrade will be fully compatible with their Falcon PC's, that they are replacing. No other vendor has the ability to access or

modify these proprietary elements as this will cause system malfunctions. OPEX is the only entity capable of building the Falcon PC's and delivering firmware updates required for the Falcon Systems to work smoothly with Windows 11. Third-part vendors would not have access to these proprietary firmware updates, leading to hardware/software mismatches. As the original developer, OPEX is the only vendor that can guarantee full compliance with security standards, data integrity protocols and system regulations. OPEX being the developer of the Falcon Systems the only vendor that can replace the current Falcon Pc's and work in tandem with the hardware to maintain performance benchmarks, no other vendor would be able to optimize the system in the same way, leading to compromised functionality. OPEX systems contain specialized code that is not publicly documented. Without OPEX direct involvement, the windows 11 upgrade will conflict with these customized aspects causing system failure , only OPEX has access to the internal workings of this code and can ensure that it functions properly with the new operating system. OPEX has proprietary diagnostic tools and monitoring systems that would be used during and after the upgrade to ensure that all the components are functioning correctly no other vendor would have access to these tools and would not be able to perform the upgrade or build the replacement Falcon Pc's.



Authorized Signature

Printed Name: Robert Bailes

Title: Chief of Staff

Date: 9/18/2024

Notes:

Authorized signature is the agency head unless the agency head has delegated that authority. Delegation of authority must be submitted to the Materials Management Officer in writing.

The Agency must obtain a Drug-free Workplace certification from the Vendor if the sole source procurement is \$50,000 or greater.